

# Industry Circular



**Internal Revenue Service**  
Alcohol, Tobacco, and Firearms Division  
Washington, D.C. 20224

Industry Circular No. 70-17

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## PROCEDURES FOR OBTAINING CERTIFICATION AS TO THE AUTHENTICITY OF STRAIGHT BOURBON WHISKEY TO BE EXPORTED

Proprietors of distilled spirits  
plants and others concerned:

The purpose of this industry circular is to advise you of the provisions of Revenue Procedure 70-14, which will soon be published in the Internal Revenue Bulletin. This revenue procedure extends procedures established by Revenue Procedure 69-28, I.R.B. 1969-50, 21, whereby exporters may obtain certification as to the authenticity of straight bourbon whiskey being exported to member States of the European Economic Community (European Common Market), to include spirits bottled or packaged in class six customs manufacturing bonded warehouses. Revenue Procedure 70-14 will be published in substantially the following form:

### BACKGROUND.

.01 In recent years the United States Government has negotiated tariff reductions on a broad range of items with various European nations. One of those items was straight bourbon whiskey, and an agreement was reached whereby the European Economic Community (EEC) would reduce its tariff on importations of such whiskey into its member States (France, Germany, Italy, Belgium, the Netherlands, and Luxemburg) from the U. S. The reduction is being made over a five-year period.

.02 The tariff negotiators for the EEC stipulated that there would have to be some means by which member States could be assured that shipments entered at the reduced tariff rate were actually straight bourbon whiskey. By agreement with representatives of the U. S. Government, the EEC entered into its regulations a requirement that to qualify for the reduced tariff, all shipments of such whiskey from the U. S. to a member State would have to be covered by a certificate attesting that the shipment was actually straight bourbon whiskey. This certificate would be prepared by the exporter and verified by a responsible authority of the U. S. Government.

.03 The responsible authority, in this case, is the Alcohol, Tobacco and Firearms Division of the Internal Revenue Service. Working from specifications furnished by representatives of the EEC, through the U.S. Department of State, the Alcohol, Tobacco and Firearms Division has developed a BOURBON WHISKEY--Certificate of Authenticity (Form 4547) that meets the requirements of the EEC regulations. Arrangements have been made whereby an Internal Revenue Service Officer may certify, on Form 4547, that a particular shipment is actually straight bourbon whiskey. Under the terms of the EEC regulations, all shipments of straight bourbon whiskey leaving the U. S. or a foreign-trade zone and destined for a member State must be covered by a properly endorsed Form 4547 to qualify for the reduced tariff rate.

## OBTAINING FORMS 4547.

An exporter may obtain blank Forms 4547 by filing a written request on his letterhead, with the Assistant Regional Commissioner, Alcohol, Tobacco and Firearms, of the Internal Revenue region in which his place of business is located. Such requests should not specify a quantity of blank forms greater than that needed to meet the exporter's estimated requirements for six months.

## FORMS 4547 PREPARED BY EXPORTERS GENERALLY.

.01 An exporter desiring the advantage of the reduced tariff will prepare Forms 4547 in duplicate. All items on the form will be completed except "Certificate of authenticity No.", "Clearance note Nr.", "Place and date of issuance", and, of course, the signature of the Internal Revenue Service Officer. Where the entries to be listed in any column are too numerous to fit on one Form 4547 (e.g., the list of package serial numbers and weights), one or more additional Forms 4547 will be prepared. Each such additional form should be complete in itself. All entries will be made in English.

.02 Entries in the columns on the bottom front of the form will be made as follows:

(a) Number of packages. Europeans interpret the word "packages" somewhat differently than we do. The information required in this instance is the number of items in the shipment (or the number of items described on any particular set of Forms 4547, where more than one set is necessary). For example, if the shipment consisted of two casks and three cases, the proper entry would be five.

(b) Serial numbers and marks. The serial numbers of the first and last cases in a series will be shown (e.g., A21730-A21986). The serial numbers of packages (casks, barrels, etc.) will be listed in numerical order. The entry for "Marks" will consist of the plant registry number (e.g., DSP-Ky-4401). For packages filled in internal revenue bond, the registry number of the producer of the straight bourbon whiskey will be shown; for bottles filled on bonded premises and bottles and packages filled on bottling premises, the registry number of the bottler or packager will be shown.

(c) Quantity. For "Casks", the total number of each size package (cask, barrel, etc.) described on Form 4547 will be shown; for "Bottles", the total number of each size bottle described on Form 4547 will be shown.

(d) Weight. The gross and net weights of packages will be entered in the appropriate columns, directly across from the corresponding package serial numbers. Both weights will be shown in metric units (one U. S. ounce is equivalent to 28.35 grams, one U. S. pound is equivalent to 0.4536 kilogram). No gross or net weights need be entered for cases or bottles.

(e) Quantity (Liter). For each size package (cask, barrel, etc.) and each size bottle, the total number of liters contained in all packages or bottles of that particular size described on Form 4547 will be entered. One U. S. gallon is equivalent to 3.785 liters.

(f) Observations. Appropriate entries may be made to indicate any unusual conditions or circumstances in connection with the shipment described on Form 4547.

FORMS 4547 PREPARED BY PROPRIETORS OF CUSTOMS MANUFACTURING BONDED WAREHOUSES.

A proprietor of a class six customs manufacturing bonded warehouse desiring the advantage of the reduced tariff will prepare Form 4547 as provided under "FORMS 4547 PREPARED BY EXPORTERS GENERALLY," except that he will enter for "Marks" the registry number of the distilled spirits plant from which the spirits were transferred, preceded by "CMBW-". In addition, the proprietor shall prepare a letterhead statement identifying, by serial number and date, the Form 206, Withdrawal of Spirits, Specially Denatured Spirits, or Wines for Exportation, covering the transfer of the spirits to the customs manufacturing bonded warehouse. The proprietor shall describe in detail in the statement the manipulation (such as addition of water or other ingredients, or filtration) occurring in the customs manufacturing bonded warehouse or shall certify that the spirits were not manipulated in any manner while in such warehouse. The customs officer will examine Form 4547 and the proprietor's statement, and if the information is found to be correct, he will so certify on the statement and return the documents to the proprietor.

FILING FORMS 4547 WITH INTERNAL REVENUE SERVICE OFFICER.

.01 Where straight bourbon whiskey is to be exported without payment of tax, both copies of the completed Form 4547, and the statement required above, if any, will be forwarded to the assigned officer at the distilled spirits plant from which the spirits are to be withdrawn or from which the spirits were withdrawn for transfer to the customs manufacturing bonded warehouse. The Forms 4547, as well as any transaction forms that may be pertinent to verification of Form 4547, shall be made available to the officer before, or at the same time, Form 206 is presented for release of the spirits.

.02 Where straight bourbon whiskey is to be exported with benefit of drawback, both copies of the completed Form 4547, together with a copy of the related Form 1582, Drawback on Distilled Spirits Exported, will be forwarded to the assigned officer at the distilled spirits plant where the spirits were bottled or packaged. Copies of any related transaction forms that would be needed by the officer to verify the Form 4547 shall also be made available to him. The spirits shall be kept available for inspection at the exporter's premises until the Forms 4547 have been endorsed by the assigned officer (or returned without endorsement because he could not verify that the spirits were actually straight bourbon whiskey).

ACTION BY INTERNAL REVENUE SERVICE OFFICER.

.01 The assigned officer will verify that the spirits described on Form 4547 are actually straight bourbon whiskey, enter the place and date of issuance and his signature on both copies of the form, and forward them with the letterhead statement, if any, to his Assistant Regional Commissioner, Alcohol, Tobacco and Firearms.

.02 The Assistant Regional Commissioner will enter a serial number on both

copies of Form 4547 (where it has been necessary to use more than one set of Forms 4547 to describe a particular shipment, a different serial number will be assigned to each set), retain the duplicate copy and the letterhead statement, if any, for his files, and return the original to the exporter.

#### EEC REGULATIONS.

The EEC regulations provide that the completed Form 4547 will be presented to the Customs authorities of the importing member State within three months after the date of delivery of the merchandise to which it pertains. They further require that the supporting invoices of one or more import declarations will bear the serial number or numbers of the corresponding Forms 4547.

#### USE OF FORM 4547 FOR EXPORTS TO OTHER COUNTRIES.

In the event that exporters find that countries other than member States of the EEC require certification as to the authenticity of straight bourbon whiskey, Form 4547 may be used for this purpose if acceptable to the foreign countries involved. Such usage shall be in accordance with the provisions of this Revenue Procedure, except that the EEC regulations will not be applicable.

In Revenue Procedure 70-14 the requirement that the exporter enter the "Clearance note Nr." in the appropriate space on the front of Form 4547 has been discontinued. You were advised that the "Clearance note Nr." would be the file number entered by U. S. Customs on U. S. Department of Commerce Form 7525-V, Shipper's Export Declaration. We have now been informed by customs that this number is no longer available for this purpose. Accordingly, exporters will make no entry after "Clearance note Nr." Instead, when Form 4547 is revised, the Assistant Regional Commissioner will enter after "Clearance note Nr." the same number entered in the space provided for "Certificate of authenticity No."

Inquiries concerning this circular should refer to its number and be addressed to your Assistant Regional Commissioner, Alcohol, Tobacco and Firearms.

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